UNITED
NATIONS

A

General Assembly

Distr.
LIMITED

A/C.2/48/L.5
22 October 1993

ORIGINAL: ENGLISH

SECOND COMMITTEE
Agenda item 92

EXTERNAL DEBT CRISIS AND DEVELOPMENT

Colombia* and China: draft resolution

# Enhanced international cooperation towards a durable solution to the external debt problems of all developing countries

The General Assembly,

Reaffirming its resolutions 41/202 of 8 December 1986, 42/198 of 11 December 1987, 43/198 of 20 December 1988, 44/205 of 22 December 1989, S-18/3 of 1 May 1990, 45/199 of 21 December 1990, 45/214 of 21 December 1991, 46/151 of 18 December 1991, and 47/198 of 22 December 1992,

Noting the limited progress achieved so far in solving the debt problem and stressing that further concrete measures are essential to solve the external debt problem of a large number of developing countries,

Noting also with concern the continuing debt and debt-service problems of indebted developing countries (least developed, low-income, lower middle-income and middle-income) which adversely affect their development efforts and economic growth, and reiterating the need to address and solve those problems through effective debt-relief measures, bearing in mind, in this context, the special and critical situation of the indebted developing countries of Africa,

Stressing the importance of alleviating the onerous debt and debt-service burdens connected with all types of debt, commercial and public, multilateral and bilateral, of all developing countries,

---

* On behalf of the States Members of the United Nations that are members of the Group of 77.

Stressing the necessity of a supportive international economic environment - in particular stable exchange rates, low international interest rates, an open international trading system and the amelioration of the terms of trade of developing countries - and noting the inadequacy of resources for the implementation of international consensus agreements on development,

Expressing its concern that, in many developing countries, the burden of debt and debt service constitute one of the major obstacles to the revitalization of growth and development, despite the often strenuous economic reforms of those countries,

Noting that those developing countries which have continued, at great cost, to meet their international debt and debt-service obligations in a timely fashion have done so despite severe external and domestic financial constraints,

1. Takes note of the Secretary-General's report concerning the external debt crisis and development; 1/

2. Expresses its concern that only a few countries have been able to conclude agreements on commercial bank debt-service reduction and calls for the conclusion of similar agreements with all interested developing countries;

3. Also stresses the need for the implementation of additional debt-relief measures, including further reduction and cancellation of debt and debt service related to official debt, and for more urgent actions with regard to, inter alia, the remaining commercial debt owed by the developing countries;

4. Also calls upon the international community, in particular the developed creditor countries, to write-off the official bilateral debt owed by the least developed countries;

5. Calls for the rapid and effective implementation of the measures taken to address the debt problem of certain middle-income African countries and invites all creditors to take appropriate measures for all middle-income debtor developing countries, taking into account the special and critical situation of those in Africa;

6. Calls on the donor countries and multilateral financial institutions to consider taking innovative measures for substantial relief of the debt of low-income countries;

7. Stresses the need for the broadest and most expeditious implementation of the recent initiatives and the need to continue to build upon them, and calls on the developed countries to adopt and implement the Trinidad and Tobago terms;

8. Recognizes the urgent need to continue to provide a social safety net to vulnerable groups most adversely affected by the implementation of economic reform programmes in the debtor countries, in particular low-income groups, in order to ensure social and political stability;

---

1/ A/48/345.

9. Also recognizes the need of debtor developing countries for a supportive international economic environment as regards, inter alia, terms of trade, commodity prices, improved market access and trade practices, and stresses the urgent need for a balanced and successful outcome of the Uruguay Round of multilateral trade negotiations, which would result in the liberalization and expansion of world trade to the benefit of all countries, in particular the developing countries;

10. Stresses the need, in addition to debt relief measures that include debt and debt-service reduction, for new financial flows to debtor developing countries, and urges the creditor countries and the multilateral financial institutions to continue to extend concessional financial assistance, as appropriate, in order to support the implementation by the developing countries of their economic reforms, stabilization and structural adjustment programmes, so as to enable them to extricate themselves from the debt overhang and to assist them in achieving economic growth and development;

11. Urges the international community to consider wider application of innovative measures, such as debt-for-equity swaps, debt-for-nature swaps and debt-for-development swaps, without prejudice to more durable solutions such as debt cancellation;

12. Calls upon private creditors and commercial banks to renew and expand initiatives and efforts to tackle the commercial debt problems of the least developed countries, and of low- and middle-income developing countries;

13. Invites the multilateral financial institutions to consider rescheduling and reducing the arrears owed by the least developed countries, and low- and middle-income countries, taking into account the special and critical situation of those in Africa, and decides that a study should be undertaken to examine how the multilateral financial institutions can best extend debt relief measures of the debt owed to them by developing countries;

14. Urges the international community to devise an innovative strategy to deal with the debt problems of developing countries that have carried out economic reforms, met their obligations and continued to service their debt at great social cost;

15. Requests the Secretary-General to report to the General Assembly at its forty-ninth session on the implementation of the present resolution.

---